

FACT SHEET
South Carolina's State Plan Amendment (SPA) 07-003

Official Program Name: *State Employee High Deductible Health Plan*

Date SPA Submitted: March 14, 2007

Date SPA Approved: June 12, 2007

Date SPA to be implemented: April 1, 2007

Date SPA Expires: Not Applicable

SUMMARY

On March 14, 2007 the State of South Carolina submitted a benchmark SPA to offer beneficiaries the option of enrolling in the South Carolina State Employee High Deductible Health plan. The benchmark State plan option provides States with the opportunity to offer an alternative benefit package to beneficiaries without regard to comparability of services, freedom of choice and statewideness. This will be beneficial for Medicaid beneficiaries for the following reasons:

- Allows beneficiaries the option to participate in mainstream health insurance in a high deductible health plan;
- Enrollment will promote patient awareness of the high cost of medical care;
- Provides incentives to seek preventive care services;
- Reduces inappropriate use of health care service;
- Engage in a more proactive role in their health care.

BENEFITS AND ELIGIBILITY

- Eligible individuals will be given the opportunity to voluntarily opt into the benchmark coverage to receive the same health benefits that South Carolina State Employees receive.
- Most categorically eligible families and children, as well as individuals in disability-based eligibility groups are eligible to enroll in the benchmark plan.
- Initial implementation will be limited to 1000 beneficiaries who are Richland County residents.
- Beneficiary counselors will assist client selection of appropriate delivery models and will provide a comparison of the alternative plan to the regular Medicaid plan.
- Participants may voluntarily opt out of the benchmark to receive traditional Medicaid coverage at any time.
- South Carolina is providing Medicaid coverage through a State Employee Coverage high deductible health plan option under section 1937 of the Social Security Act as added by the Deficit Reduction Act (DRA).

- The annual deductible amounts are \$3000 for an individual and \$6000 for family coverage. Beneficiaries are not subject to any cost sharing obligations until the annual deductible has been reached. After the deductible has been met, traditional Medicaid State plan cost sharing requirements apply.
- The State will provide EPSDT services to children under age 19.
- All services will be provided as fee for service.
- South Carolina will implement this benchmark on April 1, 2007.